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(71) Applicant *(for all designated States except US)*: **DELTA RANGERS, INC.** [US/US]; 616 Euclid Avenue, Birmingham, AL 35213 (US).

(72) Inventors; and
(75) Inventors/Applicants *(for US only)*: **MCGILL, Bradley, J.** [US/US]; 616 Euclid Avenue, Birmingham, AL 35213 (US). **WINSTON, Evan, J.** [US/US]; 12 Stuyvesant Oval #10F, New York, NY 10009 (US).

(74) Agent: **COULSON, Lesley, L.**; Morgan Lewis & Bockius LLP, 1800 M Street, N.W., Washington, DC 20036-5869 (US).

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(54) **Title:** DERIVATIVE SECURITIES AND SYSTEM FOR TRADING SAME

CSCO

10-16-2000	CURRENT PRICE: $56.20	TODAY'S OPEN: $56.15	YESTERDAY'S CLOSE: $49.85

EXPIRY	△ CHANGE	PREMIUM	QUANTITY AVAILABLE
CLOSE 10-16-2000	$1.25	$47.00	250
CLOSE 10-16-2000	$2.25	$33.00	375
CLOSE 10-16-2000	$3.00	$26.00	4000
OPEN 10-17-2000	$1.00	$50.00	10
OPEN 10-17-2000	$1.50	$42.00	5
OPEN 10-17-2000	$2.00	$38.00	760
OPEN 10-17-2000	$4.00	$15.00	600
NOON 10-17-2000	$1.00	$55.00	72
NOON 10-17-2000	$2.00	$42.00	2500
NOON 10-17-2000	$3.00	$33.00	600
CLOSE 10-17-2000	$4.00	$15.00	23
OPEN 10-18-2000	$1.00	$42.00	10
OPEN 10-18-2000	$1.00	$6.00	110

PUTS

510

EXPIRY	△ CHANGE	PREMIUM	QUANTITY AVAILABLE
CLOSE 10-16-2000	$1.00	$5.00	4
CLOSE 10-16-2000	$1.75	$35.00	25966
CLOSE 10-16-2000	$2.25	$33.00	76
OPEN 10-17-2000	$1.00	$55.00	1400
OPEN 10-17-2000	$1.50	$45.00	26
OPEN 10-17-2000	$3.00	$26.00	2
OPEN 10-17-2000	$4.00	$15.00	7000

545

CALLS

WRITE DELTA CONTRACTS

BUY DELTA CONTRACTS

(57) **Abstract:** A derivative security whose value is determined by whether an underlying instrument will trade above or below a given price at or by a given time. The price of the underlying instrument in the inventive instrument must move a certain amount in a certain direction in a limited amount of time. If it does, that trade yields a fixed amount of money for the acceptor of the contract (510, 545). If it does not, that acceptor loses the premium he paid for the contract (510, 545).

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